

## NANCY VANDERMEER

STATE REPRESENTATIVE • 70TH ASSEMBLY DISTRICT

TO: Honorable Members of the Assembly Committee on Energy and Utilities

FROM: State Representative Nancy VanderMeer

DATE: January 9, 2023

SUBJECT: Testimony in Support of Assembly Bills 846 & 847

Thank you Chairman Steffen and members of the Assembly Committee on Energy and Utilities for holding a hearing on Assembly Bills 846 and 847 today. The general topic of electric vehicles can generate, no pun intended, a variety of sentiments from across the spectrum and from a number of individuals, including policymakers such as ourselves. As a former auto-dealer, I certainly have some strong opinions and thoughts based on over 30 years in the automotive industry working with automotive owners, dealers, and others. However, today I'd like to focus on this particular proposal, what it does, and why Senator Marklein and I think it's important.

Primarily, Assembly Bills 846 & 847 allow private entities to make EV charging stations available to the public and allows entities to charge a fee for providing electric vehicle charging services. Current statutes require that any entity that provides electricity to the public be regulated as a public utility. These bills allows private sector businesses to provide electric vehicle charging services to consumers and sell electricity by the kilowatt hour. Additionally, there are provisions in the bills that allow municipalities to provide basic electric vehicle charging services to the public as long as they do not subsidize charging stations with tax dollars and there are provisions in the bills that allow local municipalities to service their own fleets if desired. Furthermore, you'll notice a significant difference between these bills and the previous legislative session's version of the proposal, and that is that under these proposals, a tax of \$0.03 per kilowatt hour has been added to vehicle charging services by private sector entities.

As some of you may remember hearing a similar proposal during the last legislative session, I think it's important to sort of level-set this session's proposals because I believe that even in the roughly two years since I first brought last session's proposal before this body, the electric vehicle landscape has changed in a variety of ways and I believe that landscape does not necessarily indicate that electric vehicles and a substantive or full transition to electric vehicles is imminent without forced government intervention. That said, there is *some* demand for electric vehicles, they're on the road, and I believe that people should generally be able to make that choice. These proposals are important because they take an important first step in providing infrastructure for consumers that have made that choice, and it will allow our state to secure \$78 MM in federal National Electric Vehicle Infrastructure (NEVI) funding. Additionally and probably most importantly for me, this bill allows private sector businesses to provide a product and service to consumers for a fee and meet a demand in the economic marketplace.

Thank you again for the opportunity for a hearing on these proposals, thank you Representative Oldenburg for co-authoring these proposals and Representatives Hurd, Peterson and Tranel for co-sponsoring these proposals. I would respectfully ask committee members for your support to move these bills forward in the legislative process.



### HOWARD MARKLEIN

STATE SENATOR • 17<sup>th</sup> Senate District

### January 9, 2024 Assembly Committee on Energy and Utilities Testimony on Assembly Bills 846 and 847 Electric Vehicle Charging

Thank you Chairman Steffen and committee members for hearing Assembly Bills (AB) 846 and 847. AB 846 will enable private-sector businesses in Wisconsin to participate in the electric vehicle (EV) charging industry while AB 847 enables the Wisconsin Department of Transportation (DOT) to receive and award \$78 million from the federal government to private-sector businesses who will construct, own and operate EV charging facilities.

Our goal, in writing this bill, is to accomplish the simple – allowing retailers to sell electricity without being regulated as a utility; as well as the complicated – building a structure for the industry, protecting private-sector investments while maintaining public-sector engagement, providing parity with the gas tax and capturing \$78 million from the federal government.

The simple – In Wisconsin, under current law, anyone who sells electricity must be regulated as a utility. It doesn't make any sense for a gas station, convenience store or grocery store to be regulated as a utility when all they want to do is offer EV charging as a product for people who drive electric vehicles. They simply want to re-sell electricity to their customers by the kilowatt hour. In order for private businesses to own and operate a high speed EV charger, we need to change the law.

This change will also enable Wisconsin to capture \$78 million in National Electric Vehicle Infrastructure (NEVI) program funding. These funds must be awarded to private-sector businesses to construct EV charging infrastructure on interstates, alternative fuel corridors and regional routes of significance. A map of the planned corridor is attached. This is an 80/20 match program in which the feds will pick up 80% of the costs and the business will provide 20%. Most experts estimate that a Level 3 charger costs approximately \$1 million to construct and install. But, again, in order for the private businesses to do it – we first need to change the law.

The complicated – Wide-scale, retail EV charging is a relatively new industry for Wisconsin. Therefore, there is no existing structure. We are at the precipice of a new industry and this is where the complicated work comes in.

In order to build the structure for a new industry, we worked with a wide variety of stakeholders including retailers, utilities, co-ops, renewable energy groups, local governments, road builders, the DOT and everyone in between. In all, nearly 40 different stakeholders have contributed to this complicated conversation.

The policy bill does the following:

- Allows private sector businesses to construct and sell electricity by the kilowatt hour.
- The private sector businesses will not be considered a utility for this purpose.
- The private sector businesses must purchase power for this type of re-sale from a utility.
- The private sector can sell all levels of charging Levels 1-3+
- The public sector (cities, counties, towns and villages) may continue to provide free access to Level 1 and Level 2 charging.
- The public sector is prohibited from constructing Level 3+ charging except for their own fleet.
- The public sector cannot sell EV charging, but they can lease property to a private entity to own and operate EV charging on public property.
- Municipal electric utilities will be treated like all other utilities and may construct and sell Level 1-3+ charging, as long as no taxpayer funding is used to construct the charging facilities.
- Collects and distributes excise tax of \$.03 per kilowatt hour into the Transportation Fund for parity with the gas tax.

The funding bill simply provides the DOT with an appropriation through which they can receive the federal NEVI funds and then distribute to the private-sector entities who apply for grants.

Again, this legislation was drafted with significant collaboration among stakeholders in both the private and public sectors, including the following:

Kwik Trip	Wisconsin Manufacturers & Commerce
Wisconsin Transportation Builders Association	Wisconsin Towns Association
Wisconsin Conservative Energy Forum	Municipal Electric Utilities
Wisconsin Counties Association	Leagues of Wisconsin Municipalities
WEC Energy Group	Alliance for Automotive Innovation
Renew WI	Energy Action Fund
Customers First! Coalition	Dairyland Power Cooperative
Wisconsin Electric Cooperative Association	American Council of Engineering Companies
Madison Gas & Electric	Wisconsin Fuel & Retailers Association
Wisconsin Grocers Association	Wisconsin Auto & Truck Dealers Association
Tesla	Wisconsin Department of Transportation (DOT)
Wisconsin Department of Revenue (DOR)	

Following the Senate Committee on Utilities and Technology Public Hearing on December 19, 2023, Rep. VanderMeer and I drafted an amendment to address several concerns raised by stakeholders:

1. Provides parity for the state with other public entities. This would mean that the state could own and operate level 1 and 2 chargers for free. They could also have level 3 for their

fleet. They could also lease/rent state owned property to a private entity who would then own and operate a Level 3 charger for sale.

- a. The rationale When we originally prohibited the state from owning and operating any charging, it was to prevent them from placing chargers at rest areas and/or in direct competition with the private sector. However, we have now learned that they are prohibited by state and federal laws from conducting any sort of auto services or commerce at rest areas, so our concern is moot. The state wants to offer Level 1 and Level 2 charging at State Parks and this amendment would allow for this. It would also allow the state to continue offering chargers in state operated parking ramps such as the chargers that are located at Hill Farms.
- 2. Require the DOR to notify an incumbent utility when they approve registration of a new EV Charger.
  - a. The rationale this was requested by WECA. They believe this will help prepare local utilities so that a new charging facility doesn't overwhelm the substation.
- 3. Change the word "permit" to "registration" with regard to "registering" with DOR in order to collect and remit the excise tax.
  - a. The rationale this is legislative intent. We are not trying to create a new permitting process. We just want entities to register with DOR in order to collect and remit the excise tax. We do not want to create a new regulatory burden on the private sector or another regulatory process for DOR. Current chargers that collect sales tax already register with DOR to remit sales tax. This would be parity with current practice.
- 4. Only tax Level 3 charging and tax ALL Level 3 charging, including public entities who use it for Fleet vehicle.
  - a. The rationale Level 3 chargers are equipped with meters. Government fleet vehicles affect our roadways just like every other car. Public entities currently pay gas tax on gasoline used for fleet vehicles. This creates parity in several ways.
- 5. Do not tax any Level 1 or Level 2 charging public or private.
  - a. The rationale Most Level 1 and 2 chargers do not have existing meters. The expense to install meters and collect tax on these types of chargers would be an unnecessary burden on the private sector. The excise tax collected on these meters will be minimal. It is a trade-off for collecting excise tax on ALL level 3 chargers.

Again, thank you for scheduling this public hearing today. I appreciate your consideration of this legislation and look forward to the discussion among stakeholders who participate today.



**Wisconsin Department of Transportation** Office of the Secretary 4822 Madison Yards Way, S903 Madison, WI 53705 Governor Tony Evers Secretary Craig Thompson wisconsindot.gov Telephone: (608) 266-1114 FAX: (608) 266-9912 Email: sec.exec@dot.wi.gov

### Testimony of Wisconsin Department of Transportation Deputy Secretary Kristina Boardman DOT Officer Kaleb Vander Wiele Before the Assembly Committee on Energy and Utilities January 9, 2024

Re: Assembly Bill 846, relating to exemptions from public utility regulation regarding electric vehicle charging stations, installation and operation of electric vehicle charging stations by state agencies or local governmental units, and imposing an excise tax on electric vehicle charging.

Chairman Steffen and committee members, thank you for the opportunity to testify on behalf of the Wisconsin Department of Transportation on Assembly Bill 846 and Assembly Bill 847.

In November 2021, the Bipartisan Infrastructure Law (BIL) was signed, designating \$7.5 billion to build electric vehicle charging stations. Under the BIL, Wisconsin will receive \$78.65 million over five years through the National Electric Vehicle Infrastructure (NEVI) Formula Program. The NEVI Program is designed to support the construction of Level 3 DC Fast Electric Vehicle Charging Stations on Wisconsin's Alternative Fuel Corridors. Level 3 charging stations allow passenger electric vehicles to recharge in less than an hour. This is compared to slower level 1 and 2 chargers, which are designed to recharge throughout the day or overnight.

Under the NEVI Program, WisDOT is authorized to fund the construction of level 3 charging stations every fifty miles within one travel mile of Wisconsin's Alternative Fuel Corridors. Since enacted in 2015, Wisconsin has designated, with Federal Highway Administration approval, the state's interstate system, including I-90, I-94, I-43, I-41, and I-535, as well as US 53 and US 151. With the announcement of the NEVI Program in early 2022, Wisconsin requested and received approval for US 51, WIS 29, US 2, US 141, US 8, and US 41 to be included in the program.

With 1,967 miles of Alternative Fuel Corridors, WisDOT intends to support the construction of approximately 65 level 3 charging stations. The graphic attached to my testimony illustrates the roughly 200 general locations WisDOT has estimated where adequate grid capacity may be available. WisDOT will not own and operate charging stations. Under the Wisconsin Electric Vehicle Infrastructure Plan, as approved by the Federal Highway Administration, WisDOT will administer grants allowing private industry to construct charging stations on their property. These industry partners will be responsible for ownership, operation, and maintenance. These locations may be restaurants, big box stores, convenience, and traditional gas stations. Federal and State statutes prohibit electric vehicle charging at our rest areas and waysides. The level 3

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fast charging stations funded by the NEVI Program in Wisconsin will work to greatly increase mobility for longer-distance travel in the state for electric vehicle owners.

The federal rule governing the NEVI Program sets standards for electric vehicle charging stations funded under the BIL. These requirements are intended to ensure that charging stations receiving federal aid have consistent reliability for the consumer. An essential part of reliability is a required method of sale for electricity. The federal rule requires charging stations to sell electricity by a kWh metric by February 28, 2024. This method of sale is comparable to a purchase of gasoline by the gallon. After February 28, 2024, WisDOT cannot fund projects under the NEVI Program until a kWh sale metric is allowable.

Traditionally, the sale of electricity has been reserved for entities regulated as a public utility. Apart from the sale of electricity through a charging station, most entities interested in owning and operating charging stations fall outside of the regulatory framework that is in place for public utilities. As a result, many charging station owners and operators choose not to sell the electricity delivered to an electric vehicle but instead sell the time the vehicle is connected to the charger. The sale-by-time metric often works for slower charger stations but is not economically feasible for fast charging. With the final NEVI Program rule in place, a sale-by-time metric is no longer allowable for NEVI-funded charging stations.

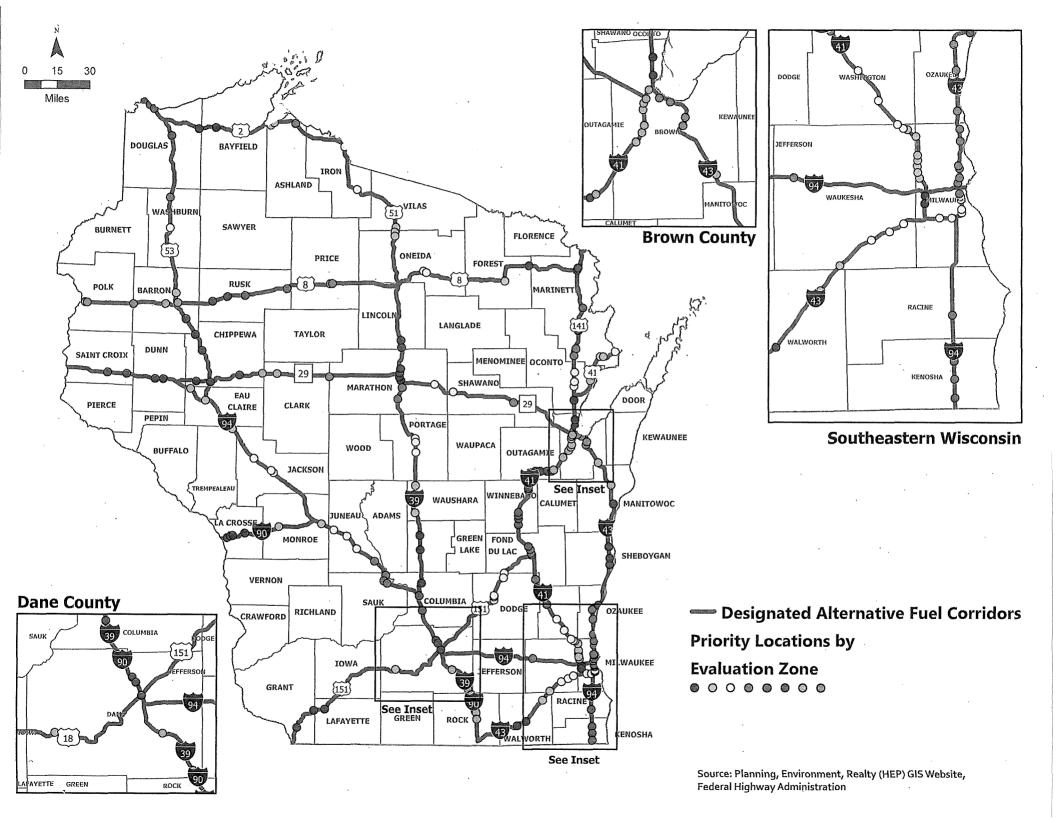
Almost all states, either through legislation or a determination of their Public Service Commission, have determined that the sale of electricity through a charging station is not an activity that alone triggers an entity to be defined as a public utility. Looking at neighboring states, Iowa and Michigan received clarity through their Public Service Commissions in 2019. With the NEVI Program requiring a kWh method of sale, remaining states, including Texas and Georgia, took legislative action this session. At this point, only Wisconsin and one other state have yet to clarify that the sale of electricity through a charging station does not meet the definition of a utility. Assembly Bill 846 provides the necessary language for electric vehicle charging stations to comply with NEVI Program requirements.

I want to thank the bill's authors for including the Department in conversations regarding the pending amendment to Assembly Bill 846. The amendment being considered appropriately addresses the Department's concerns discussed in testimony provided to the Senate Committee on Utilities and Technology in December.

As WisDOT implements its NEVI Program, I want to note the importance of Assembly Bill 847. This bill provides WisDOT the program authority and the appropriations necessary for the program's successful administration. We appreciate the bill authors for their leadership on this issue and the Department stands ready to continue working collaboratively with them and this committee.

In closing, I would like to thank the committee for the time today to present testimony and to be involved in this critical conversation. I am happy to answer any questions that you may have.

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				Evaluation Zone				
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1-39	Exit 92: Korean War Veterans Mem Hwy Exit 106: State Rt 23 Exit 113: E 2nd St	Exit 124: W Follett Dr Exit 131: County Road V Exit 136: State Rt 73	Exit 151: State Rt 54 Exit 156: McDill Ave Exit 158 A/B: U.S. Rt 10	Exit 179: State Rt 153 Exit 185: Old Hwy 51				
i-41	Exit 2 A: What in all Ave Exit 2 A: What in all Ave Exit 1 D: State Rt 59	Exit 42 A: W North Ave Exit 43: W Burleigh St Exit 44: 194 ALT Exit 45: W Hampton Ave Exit 46: W Silver Spring Dr Exit 46: W Silver Spring Dr Exit 48: N 12 Ath St Exit 50 A: Main St	Exit 5.1 A: Pilgrim Rd Exit 5.2 County Line Rd Exit 5.7: Holy Hill Rd Exit 5.7: Holy Hill Rd Exit 64 B: State Rt 60	Exit 72: WI5-33 Exit 85: I-43 ALT Exit 97: 5 Hickory St Exit 98: 5 Military Rd Exit 99: U5-45	Exit 101: County Rd O O Exit 113: H41 ALT Exit 116: W1 Trunk 44 Exit 117: W 9th St Rd Exit 119: Omro Rd	Exit 131: Winneconne Ave Exit 132: Main St Exit 136: W Prospect Ave Exit 136: W Prospect Ave Exit 137: WIS-125 / W College Ave Exit 138: WIS-96 / W WIsconsin Ave Exit 138: WIS-96 / W WIsconsin Ave Exit 142: WIS-97 / N Richmond St Exit 144: N Ballard Rd Exit 146: Freedom Rd	Exit 150: Hyland Ave Exit 157: Freedom Kd Exit 161: Scheuring Rd Exit 161: Scheuring Rd Exit 164: S Oneida St Exit 167: Lombardi Ave Exit 168: Lombardi Ave Hazelwood Ln Exit 168: WIS-32 / WIS-54 Exit 170: Velp Ave	
-43	Exit 21: Geneva St Exit 25: S Lincoln St	Exit 38: North St Exit 43: S Rochester St	Exit 50: Big Bend Dr Exit 54: Racine Ave Exit 57: S Moorland Rd Exit 37: S Mu Lapham Blvd Exit 7: S 60th St Exit 7: S 60th St Exit 3: S 27th St Exit 3: 4: W Howard Ave Exit 3: 4: W Howard Ave Exit 3: 4: W Howard Ave Exit 3: 4: W Bocher St	Exit 311: W Walker St (equivalent of ~mm 70) Exit 72 E: W Winnebago St Exit 73 E: W North Ave Exit 75: W Seef Ave Exit 75: W Seef Ave Exit 76: W Seef Ave Exit 80: Good Hope Rd Exit 82: W Drown Deer Rd Exit 85: Mequon Rd Exit 92: Washington St Exit 96: State Rt 33	Exit 100: I-43 ALT Exit 120: 5 Business Rd	Exit 148: Delanglade St Exit 123: Washington Ave Exit 128: state Rt 42 Exit 128: state Rt 42 Exit 149: U.S. Highway 151	Exit 157: Hillcrest Rd Exit 171: Depere Rd	Exit 181: Manitowoc R Exit 183: E Mason St Exit 187: E Shore Dr Exit 189: Atkinson Dr
1-90	Exit 3: Róse St Exit 4: US-53 / I-90 ALT Exit 5: WIS-16 / I-90 ALT Exit 12: County Rd C	Exit 28: I-90 ALT Exit 48: Oakwood St	Exit 55: County Rd C Exit 51: WIS-80 Exit 69: WIS-82 / Gateway Ave	Exit 79: County Rd HH Exit 87: WIS-13 Exit 89: WIS-23 - Exit 92: US-12	Exit 108A: WIS-78 Exit 115: County Rd CS	Exit 131: WI-19 Exit 132: U5-51 Exit 135C: High Crossing Blvd	Exit 147: County Road N Exit 160: US-51 / WIS-73 Exit 163: WIS-59 Exit 171A: WIS-56 / Milton Ave Exit 171B: US-14 / I-90 ALT / I-39 ALT Exit 171B: US-14 / E Racine St	
1-94	Exit 19: I-94 ALT Exit 28: State Rt 128 Exit 41: N Broadway St Exit 45: County Rd B	Exit 59: Partridge Rd Exit 68: State Road 93 Exit 88: US Highway 10	Exit 105: WI-95 Exit 115: US-12 Exit 116: WIS-54	Exit 267: WI-26 Exit 282: Summit Ave	Exit 333: Washington Ave Exit 340: Burlington Rd Exit 344: 75th St Exit 347: 104th St			
US-141	Chicken Shack Rd WIS-22 County Rd A / W Main St	County Rd B / US-141 WIS-64 South St Henriette Ave	Van Buren Ave	ÚS-8 Cedar St				
US-151	Exit 8: Caunty Rd HH Exit 21: County Rd XX / US-151 Exit 26: 1st Capitol Ave	Exit 69: US-18 / Springdale St	Exit 132: WIS-33 Exit 134: E Industrial Dr Exit 135: Gateway Dr Exit 144: WIS-26 Exit 146: WIS-49 / I-41 ALT					
US-2	US-2/County Rd 27 US-2/N Bohn St	US-2/9th Ave W US-2/22nd Ave E	US-2/Maple St		•			
US-41	Exit 173: Lineville Rd Exit 176: County Rd B Exit 185: County Rd D	Exit 198: WI5-22 / Charles St Kasal Ln Exit Z12: County Rd Y / US-41 / French St	Roosevelt Rd Pierce Ave / Riverside Ave					
US-51	Exit 188: Rib Mountain Dr Exit 190: County Rd NN Exit 192: WIS-52 Exit 194: Badger Ave / County Rd K Exit 205: County Rd Q Exit 208: WIS-64	Country Club Rd Milwaukee St WIS-70 WIS-47 / 1st Ave WIS-70	Lakeview Ave Silver St					
US-53	Exit 110: State Rd 40	Exit 140: South Access Rd	US-53/Oak Hill Rd (MM171 equivalent)	US-53/W Hokah St (MM195 equivalent)	US-53/E County Rd B (MM215 equivalent) US-53/50th Ave E (MM230 equivalent) US-53/22nd Ave E (MM232 equivalent)			
US-8	US-8/Glacier Dr US-8/208th St US-8/Prosser Ave	US-8/S 3rd St US-8/E Main St	US-8/5th St US-8/N Main St	US-8/WI-27 US-8/Main St	US-8/Granberg Rd US-8/County Road A	US-8/WI-47 US-8/County Road G	US-8/WI-32	US-8/WI-101
WI-29	Exit 69: WI-29/60th St	Exit 101: County Rd H Exit 108: WI-73	Exit 132: WI-13	(no Priority Locations)	Exit 185: County Rd Y Exit 195: US-45	Exit 225: WI-22 Exit 234: WI-117 WI-29/N Taylor St (MM 258 equiv.)		

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1425 Corporate Center Drive Sun Prairie, WI 53590-9109 608.834.4500 wppienergy.org

January 9, 2024

Dear Chairman Steffen and Members of the Assembly Committee on Energy and Utilities,

On behalf of our 41 Wisconsin members, WPPI Energy supports both Assembly Bill 846 & 847 and we appreciate the hard work put into this bill by Representative VanderMeer and Senator Marklein. Our top concerns with any legislation related to electric vehicle (EV) policy are as follows:

- Municipal electric utilities must be treated the same as investor-owned and cooperative utilities as it relates to owning and operating EV chargers. While we foresee private entities owning and operating most EV charging stations, AB846 as drafted would allow our members to own and operate EV charging infrastructure provided no taxpayer dollars are used to fund any part of the project (municipal electric utilities never use taxpayer dollars for projects, but the language is necessary to make clear the utility is not competing with private entities) and all necessary approvals from the Public Service Commission of Wisconsin are obtained. This provision will serve as a backstop to ensure our rural communities have access to EV charging stations in the event a private EV charging provider does not choose to locate facilities in a WPPI Energy member city, town or village.
- Any legislation relating to electric vehicle policy cannot conflict with Wisconsin's current utility regulatory structure. AB846 as drafted would exempt an EV charging station operator from regulation as a public utility when selling by the kilowatt-hour provided all electricity sold to drivers by the EV charging station operator is supplied by the incumbent utility provider. We feel that this carefully crafted exemption leaves the current utility regulatory structure in place and is a necessary change for both securing federal EV infrastructure funding and ensuring electric vehicles owners are paying the true cost for the electricity used to charge their battery.

We appreciate the careful consideration the authors gave each of these items and we respectfully request that Assembly Committee on Energy and Utilities members support both AB846 and AB847. WPPI Energy would also support amendatory language ensuring an electric provider receives ample notice regarding proposed EV charging station locations.

Thank you for your consideration and your service to the State of Wisconsin,

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, Joseph Owen Director of Government Affairs, WPPI Energy

## **THEUW**

## Municipal Electric Utilities of Wisconsin Testimony in SUPPORT of AB 846 and AB 847: Electric vehicle charging stations and electric vehicle infrastructure program.

Chairman Steffen, Vice-Chair Summerfield and members of the Assembly Energy and Utilities Committee,

Thank you for the opportunity to testify <u>in support</u> of AB 846 and 847. I am Tyler Vorpagel, Director of Legislative and Regulatory Relations for Municipal Electric Utilities of Wisconsin (MEUW). MEUW is a 95-year-old trade association representing Wisconsin's 81 municipally owned — not for profit — utilities, their employees, and customers. MEUW's member utilities are responsible for the safe, reliable, and low-cost delivery of electricity to over 300,000 customers across 43 counties in Wisconsin. MEUW represents utilities that are commonly known as "public power" within the energy industry.

Municipal utilities operate in smaller and generally more rural communities around the state. While owning and operating electric vehicle (EV) charging infrastructure is not a priority for MEUW member utilities, it is seen as a necessary option in meeting customers' needs, especially as EV ownership increases.

AB 846 and 847 addresses three key provisions that matter to us:

- 1. Preserves current electric statutory and regulatory framework requiring that electric vehicle chargers purchase the electricity from the incumbent utility.
- Preserves the ability for MEUW members to own and operate any level of EV chargers and charge a fee for a customer's usage. Municipal utilities are funded exclusively with ratepayer dollars — not taxpayer dollars — and are regulated as public utilities by the Public Service Commission (PSC) of Wisconsin, and SB 791 sustains the same ability for MEUW member utilities to own and operate EV chargers like investor-owned utilities or electric cooperatives.
- 3. Gives Wisconsin access to federal National Electric Vehicle Infrastructure grant funds.

We appreciate the bill authors being responsive to the concerns raised in the Senate committee hearing and working with the stakeholders to put forward an amendment to address the additional concerns. Specifically, we would like to draw attention to the portions of the amendment that requires the Department of Revenue (DOR) to notify incumbent utilities when they approve registration for a new EV charger and the clarification to "registering" with DOR in order to collect and remit excise tax.

MEUW would like to thank the bill's authors for their work in putting this legislation together and listening to all stakeholders' input. Passage of AB 846 and 847, including the amendment, is important and strongly encouraged by your public power communities.

Thank you for your support!

# WISCONSIN LOCAL GOVERNMENTS

DATE: January 9, 2024

TO: Assembly Committee on Utilities and Technology

FROM: Allison Carlson, Executive Director, Wisconsin Local Government Climate Coalition

RE: Information-Only Testimony Related to AB 846 and AB 847

Thank you for the opportunity to provide testimony for information purposes on AB 846 and AB 847. My name is Allison Carlson, and I am the Executive Director of the Wisconsin Local Government Climate Coalition (<u>www.wlgcc.org</u>). The Coalition provides a coordinated voice for local governments pursuing clean energy goals, and member communities represent over one out of three residents in every geographic region in the state.

Wisconsin Local Government Climate Coalition members understand the significance of the NEVI funding, the barriers within current state statutes related to charging by the kilowatt-hour, and the importance of growing the EV charging network across the state. Indeed, many of our members have been early adopters in the effort to install EV chargers and make them available to the public. In my testimony today I will speak to some of the potential effects of these bills on local communities if they pass as well as if they do not pass.

### **Economic Impacts**

While EVs are only 0.1% of total vehicle registrations in 2023, the Wisconsin Department of Transportation (WisDOT) projects that by 2050, 31% of registrations (representing almost 1.9 million vehicles) in Wisconsin will be electric.<sup>1</sup> The U.S. Department of Transportation (U.S. DOT) reports that EV charging stations offer many benefits to local communities, including businesses and individual residents.<sup>2</sup> These include the following areas outlined below.

 Impact on economy and jobs: EV charging stations require engagement from several parts of the economy, all of which could bring economic benefits to the state in terms of jobs and revenue. These include manufacturing, supply chains, contractor installations, and maintenance over time. For example, in August, charging station manufacturer, Ingeteam, announced it would expand its production facilities in Milwaukee, with a plan

<sup>1</sup> Wisconsin Electric Vehicle Infrastructure Plan, 2023. Table 3-5, page 3-55.
[<u>https://wisconsindot.gov/Documents/projects/multimodal/2023weviplanupdatefinal.pdf</u>].
<sup>2</sup> U.S. Department of Transportation, Benefits to Communities.

<sup>[</sup>https://www.transportation.gov/rural/ev/toolkit/ev-benefits-and-challenges/community-benefits]

to deploy 500,000 chargers across the nation's highways and add 100 new jobs in Milwaukee.<sup>3</sup>

- Impact on retail and main street businesses: Refueling stops are often combined with other errands, like visits to neighboring stores and shops. Analysis by ChargePoint shows that by providing charging stations, customer dwell time increased by 50% and resulted in an average spend of \$1 per minute.<sup>4</sup>
- Impact on individual pocketbooks: EVs have lower fuel and maintenance costs compared to gas-fueled vehicles that yield savings over time. The U.S. DOT reports that on average, EV maintenance costs are up to 50% lower than gasoline-powered vehicles, and EV fuel costs can result in savings of over \$700 per year.<sup>5</sup>

Also related to economic impacts, some of our members, including City of Eau Claire, Eau Claire County, and the City of Milwaukee, own legacy charging stations that are available to the public and currently charge a fee to EV drivers for their use. The City of Eau Claire owns a level 2 and a level 3 charging station, both of which charge fees, and Eau Claire County and the City of Milwaukee own level 2 stations which also charge fees to the public. These current economic arrangements allow them to recoup their investments and ongoing costs while directing these fees to EV drivers specifically. AB 846 does not address these legacy systems. If this bill passes as currently drafted, the effect may be that these local governments are not able to recoup their costs.

#### Clean Energy Impacts

As noted, many of our members have clean energy goals and plans in place, and all members are working to bring the benefits of a clean energy economy to their communities. As you know, local governments are reliant on the state government and legislature to provide the structure and tools to facilitate growth. Bringing clarity to current state statutes, such as who is allowed to own charging stations and charge by the kWh, if enacted through these bills, will have the effect of bringing further clarity to the market. Expanding the ability to charge by the kWh to entities beyond utilities opens up the market and offers access to funding like the NEVI program. If these bills do not pass, there will continue to be confusion in the market and Wisconsin will lose a significant source of funding to support the market.

In summary, these bills have the potential to speed up the adoption of EVs, contributing to the achievement of local clean energy goals. They could also result in additional jobs and revenue

<sup>&</sup>lt;sup>3</sup> Ingeteam announces the manufacture of EV charging stations in Milwaukee to meet the growing demand in the American market, Aug 5, 2023.

<sup>[</sup>https://www.ingeteam.com/Pressroom/Corporate/tabid/1574/articleType/ArticleView/articleId/3513/Ingete am-announces-the-manufacture-of-EV-charging-stations-in-Milwaukee-to-meet-the-growing-demand-inthe-American-market.aspx].

<sup>&</sup>lt;sup>4</sup> Leading Retailer Partners with ChargePoint to Attract and Retain Loyal Customers. [https://www.chargepoint.com/files/casestudies/cs-retail.pdf].

<sup>&</sup>lt;sup>5</sup> Individual Benefits of Rural Vehicle Electrification, U.S. DOT.

<sup>[</sup>https://www.transportation.gov/rural/ev/toolkit/ev-benefits-and-challenges/individual-benefits]

for Wisconsin businesses and savings over time for individual household budgets. However, additional clarity is needed for how to treat legacy investments in charging infrastructure made by local governments so they can recoup their costs. If these bills do not pass, continued economic growth related to EV investments will likely be limited or slow to develop.

Thank you for your consideration as you make decisions on this critical topic for Wisconsin's future.

Sincerely,

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Allison Carlson Executive Director Wisconsin Local Government Climate Coalition carlson.allison@wlgcc.org



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Public Comment on AB 846 and 847

Chairman Steffen and Members of the Committee,

Thank you for the opportunity to testify this morning. My name is Emma Heins, and I am a policy manager at the Electrification Coalition. The Electrification Coalition is a national, non-partisan, non-profit organization that is focused on transportation electrification through a combination of stakeholder engagement, technical support, direct implementation, and policy support to facilitate the deployment of electric vehicles on a mass scale, to combat the national security, economic, and public health impacts associated with the nation's dependence on oil.

I am here today to express my support for AB 846 and 847, including the amendment proposed by Senator Marklein's office. Passing these bills will enable Wisconsin to utilize the \$78 million awarded through the Federal Highway Administration's National EV Infrastructure (NEVI) program, enabling reliable and fast charging for those traveling long distances across the state and country. Electric transportation provides an opportunity to save drivers money over the vehicle's lifetime<sup>1</sup>, especially for rural drivers who drive longer distances and ultimately spend 44 percent more on gasoline and motor oil than urban drivers<sup>2</sup>. This transition will also bring more jobs to the US and Wisconsin, both to manufacture the vehicles and chargers and to install and maintain them.

This is an opportunity unlike any other to revolutionize how Wisconsinites can travel, and to miss this opportunity would leave us at a distinct disadvantage for decades to come. The NEVI program and other federal funding opportunities will de-risk initial investments for charging providers and allow the market to demonstrate that the demand for EV public charging already exists and that companies will make money when they install charging in Wisconsin.

The proposed amendment from Senator Marklein would solve many of our concerns about the bill, including providing parity for the state, clarifying the permitting process, and modifying who would pay the excise tax. We believe these changes are instrumental in promoting a business-friendly environment for charging providers.

I urge the committee to consider grandfathering existing chargers owned and operated by municipalities that charge for their power. The few municipalities that invested in these chargers factored revenue into their cost payback models, and it would significantly impact their budgets to absorb those costs now.

Thank you for your consideration on this important bill, and thank you to the chair for his leadership on this issue.

Sincerely,

Emma Heins, Electrification Coalition

<sup>&</sup>lt;sup>1</sup> EVs Offer Big Savings Over Traditional Gas-Powered Cars - Consumer Reports

<sup>&</sup>lt;sup>2</sup> Individual Benefits of Rural Vehicle Electrification | US Department of Transportation

January 9, 2024



Testimony of the American Lung Association In favor of Assembly Bills 846 & 847 In front of the Assembly Committee on Energy and Utilities

Chair Steffen and members of the committee,

Good morning. My name is Molly Collins, and I am the advocacy director in Wisconsin for the American Lung Association, the oldest voluntary public health organization in the United States. One of our four strategic imperatives is to champion clean air for all. I am speaking in favor of Assembly Bills 846 & 847, which help us create the infrastructure we need to support a transition to electric vehicles, moving us towards that goal.

As you know, transportation sources like cars, buses and trucks are the largest source of smog-forming emissions and climate pollution in the U.S. The rapid shift away from combustion to zero-emission technologies is critical to securing clean air and healthier communities today and for the long-run. This is especially true in lower-income communities and communities of color which too often bear disproportionate health burdens due to increased pollution exposures from high traffic hubs. This is borne out by data – the American Lung Association's <u>2023 State of Air report</u> revealed that several Wisconsin counties received failing grades for air quality. This is concerning because <u>Wisconsin also ranks high for asthma prevalence</u>. Breathing air pollution can cause asthma attacks, respiratory and cardiovascular harm, including heart attack and stroke, and even early death.

In addition to the air pollution health impacts, we know that climate change makes the job of cleaning our air and defending clean air progress more difficult. We must act with the urgency our situation requires. We are seeing the effects of this crisis unfold in the news every day as poor air quality days and extreme weather events.

To address air pollution challenges and climate change, Wisconsin should lead on zeroemission transportation – which will yield major health benefits along the way. According to the American Lung Association's 2022 <u>Zeroing in on Healthy Air Report</u>, the 2020 passenger vehicle fleet represents approximately 94 percent of the nation's on-road vehicle fleet and generates over 1 million tons of ozone- and particle-forming NOx emissions, and over 33,400 tons of fine particles annually. Heavy-duty vehicles represent approximately six percent of the on-road fleet in 2020 but generate 59 percent of ozone- and particle-forming NOx emissions and 55 percent of the particle pollution (including brake and tire particles). All segments produce harmful pollutants and creating infrastructure to charge all vehicle types must be a priority to help realize health benefits more quickly.

Facilitating publicly-available charging is a critical pathway to the health benefits of zeroemission transportation, and will also help boost public awareness of the accessibility of charging in our communities around the state. We agree that the bill could be made more expansive by applying the same criteria to the state government as are applied to local government units. Not only do we need to transition and charge our state and municipal fleets, but we should also ensure that charging is available to the public in our treasured state parks and other state-owned properties. These types of measures are widely popular, and we have done <u>polling</u> that shows that voters overwhelmingly support policies that will put the country on the path to zero-emission vehicles. Passing AB 846 & 847 with the suggested changes will enable the state to utilize the \$78 million it was awarded through the Federal Highway Administration's National EV Infrastructure (NEVI) program, enabling reliable and fast charging.

Building our state's electric vehicle infrastructure provides opportunities for major benefits in the near term and establishes pathways for generations to breathe healthier air. At every level of government, transportation and energy decisions are essentially public health decisions. Thank you for considering crucial legislation today that will impact our public health for generations.

Molly Collins Advocacy Director for Wisconsin 262-395-1700 | <u>Molly.Collins@Lung.org</u>



Date: January 9, 2024

To: Chairman Steffen and Members of the Assembly Committee on Energy and Utilities

From: Ben Porath, Executive Vice President and Chief Operating Officer at Dairyland Power Cooperative

RE: Support of Assembly Bill 846, Exemptions from public utility regulation regarding electric vehicle charging stations, installation and operation of electric vehicle charging stations by state agencies or local governmental units, and imposing an excise tax on electric vehicle charging and Assembly Bill 847 an electric vehicle infrastructure program and making an appropriation

Good afternoon, Chairman Steffen and Members of the Assembly Committee on Energy and Utilities. Thank you for holding a hearing today on AB 846, regarding exemptions from public utility regulation regarding electric vehicle charging stations, installation and operation of electric vehicle charging stations by state agencies or local governmental units, and imposing an excise tax on electric vehicle charging and AB 847 an electric vehicle infrastructure program and making an appropriation. My name is Ben Porath, Executive Vice President and Chief Operating Officer representing Dairyland Power Cooperative and I'm here in support of AB 846 and AB 847.

Dairyland is a generation and transmission electric cooperative formed in December 1941. Headquartered in La Crosse, Wisconsin, Dairyland provides the wholesale electrical requirements for 24 rural distribution cooperatives and 29 municipal utilities. These cooperatives and municipals, in turn, supply the energy needs of more than a half-million people in our four-state service area of Wisconsin, Minnesota, Iowa and Illinois.

Dairyland provides power, through our member distribution cooperatives, to 25 publicly available Level 3 Direct Current Fast Chargers (DCFC) and dozens of Level 2 destination chargers located in the rural areas of Western Wisconsin. These chargers enable electric vehicles to travel across our service area and promote tourism and commerce. We look forward to working with EV charging providers to build out more numerous and robust charging stations using the \$78 Million allocated to Wisconsin by the Federal Government's National Electric Vehicle Infrastructure (NEVI) Program.

Electric energy is measured in kilowatt-hours and Dairyland understands the need to allow charging station operators to bill electric vehicle owners by the kilowatt-hour for the energy

A Touchstone Energy® Cooperative

3200 East Ave. S. • PO Box 817 • La Crosse, WI 54602-0817 • 608-788-4000 • 608-787-1420 fax • www.dairylandpower.com Dairyland Power Cooperative is an equal opportunity provider and employer. that they purchase. As long as the energy purchased is sourced from the incumbent electric utility, we agree that allowing vendors to bill by the kilowatt-hour is appropriate.

The excise tax in this bill is needed for out of state vehicles that travel in Wisconsin to collect revenue for road maintenance that be lost from not collecting the fuel tax that internal combustion engine vehicles pay.

Dairyland Power Cooperative appreciates the work of this committee on this important issue and the opportunity to provide input in support of the legislation for your consideration. Thank you for your time.

Dairyland Power Cooperative Contact: Ben Porath Executive Vice President and Chief Operating Officer Dairyland Power Cooperative Email: <u>ben.porath@dairylandpower.com</u> Phone: (608) 787-1400



To: Members, Assembly Committee on Energy and Utilities

From: Kristin Gilkes, Executive Director, Customers First Coalition

Re: Support for Assembly Bill 846, Relating to: exemptions from public utility regulation regarding electric vehicle charging stations, installation and operation of electric vehicle charging stations by state agencies or local governmental units, and imposing an excise tax on electric vehicle charging; and,

Support for Assembly Bill 847, Relating to: an electric vehicle infrastructure program and making an appropriation. (FE)

Date: January 8, 2024

The Customers First Coalition (CFC) is an alliance of Wisconsin-based organizations and businesses that include consumer organizations, municipal electric utilities, rural electric cooperatives, wholesale electric suppliers, an investor-owned utility, and utility workers. Our Coalition works to ensure that any changes to Wisconsin's electric utility regulatory structure benefit customers first.

The energy-provider members of our Coalition are responsible for providing power to over 700,000 Wisconsin electric customer households and businesses. Our members and their employees play a vital role in the provision of power to communities across the state, many of which are ready and willing to partner with local businesses to host National Electric Vehicle Infrastructure (NEVI) charging stations.

### CFC Support for Positive Electric Vehicle (EV) Policies

CFC has long believed state policies should be designed to support EV adoption and the associated benefits that can come with it, including:

- Downward pressure on electric rates for all customers;
- Lower fuel and maintenance costs for EV drivers, fleets, and transit systems; and,
- Environmental benefits from lower emissions.

Because of their ability to open Wisconsin's EV charging network to receiving federallyfunded NEVI grants, 2023 Assembly Bills 846 and 847 will help usher in the benefits of EVs for Wisconsin electric customers.

(Continued)

### CFC Support for Wisconsin's Utility Regulatory Structure

At the core of our mission, CFC supports Wisconsin's electric utility regulatory structure because it:

- Serves and protects all utility customers,
- Ensures a reliable power supply and efficient electric grid, and,
- Stabilizes prices for customers over the long term.

### Where EV Charging and Utility Regulation Intersect

CFC could only support legislation relating to electric vehicles which does not conflict with Wisconsin's utility regulatory structure. 2023 Assembly Bill 846 achieves this balance by ensuring that the electricity supplied to drivers by an electric vehicle charging station is supplied by the electric utility or electric cooperative that provides service.

Therefore, we support 2023 Assembly Bills 846 and 847 thanks to the legislation's adherence to Wisconsin's utility regulatory structure while enabling opportunities for EV charging using NEVI funds. We appreciate the careful consideration of these concerns given by the bill's authors during the drafting process.

We support amendment language which ensures electric utilities or electric cooperatives receive sufficient notification when a new EV charging station is proposed in their service territory.

Please contact me with any questions.

Sincerely,

Kristin Gilkes Executive Director Customers First Coalition <u>kristin@customersfirst.org</u> (608) 286-0784



DATE:	January 9, 2024
TO:	Assembly Committee on Energy and Utilities
FROM:	Clean Wisconsin
RE:	Testimony on Assembly Bill 846 and Assembly Bill 847

Clean Wisconsin is a non-profit environmental advocacy organization. We strive to ensure a safe, healthy future for every Wisconsin community by fighting climate change and pollution. We were founded over fifty years ago and have over 20,000 members and supporters around the state. We employ scientists, policy experts and attorneys to protect and improve Wisconsin's environment.

Clean Wisconsin thanks Representative VanderMeer and Senator Marklein for bringing these bills forward. Powering our cars, trucks, buses and other modes of transportation with electricity is critical to reducing air pollution and carbon emissions and to improving the health of our communities and climate. As such, we support policies to normalize and incentivize increased use of electric vehicles. Clean Wisconsin largely supports Assembly Bills 846 and 847, and we have suggestions to ensure there are no gaps in access to charging facilities.

Simply stated, Wisconsin needs to pass the language in Assembly Bill 846 that requires charging sales to be by the kilowatt-hour to comply with National Electric Vehicle Infrastructure (NEVI) requirements. Wisconsin is currently one of only two states that still does not comply. Specifically, Assembly Bill 846 clarifies that non-utilities can sell power by the kilowatt-hour, as required by NEVI. This proposal is necessary to ensure access to \$78 million in federal funding to build electric-vehicle-charging infrastructure. Clean Wisconsin urges the legislature to pass this language. Should the legislature fail to do so, the federal government will not provide that funding, and Wisconsin will fall behind other states.

Besides being required by federal policy, charging sales by the kilowatt-hour is the only fair way to sell electric vehicle charging. It creates parity between electric and gas-powered cars. Gas stations don't charge by the amount of time a car sits at a pump; they charge by the amount of fuel consumed in gallons. Charging by the amount of energy consumed in kilowatt-hours is no different. Currently, electric vehicle charging in Wisconsin is being sold by the amount of time a vehicle is at a charging station. The amount of time needed to charge an electric vehicle battery, however, varies based on the level of a charging station. Some electric chargers work faster than others, making the time spent at a charger irrelevant to the actual amount of electricity

consumed. So, not only is kilowatt-hour charging required by NEVI, but it is the only fair way to sell electric-vehicle charging.

While Clean Wisconsin supports Assembly Bills 846 and 847 as necessary proposals to access critical federal funding, we believe there are two issues Assembly Bill 846 should address.

First, there is no clear rationale as to why the state is treated differently from municipalities under the bill. Assembly Bill 846 allows a private third party to own and operate an electric vehicle charging station on municipal property. There is no similar allowance on State-owned property. There are places like state parks where such an allowance would be beneficial to the State, the private third party, and state park users. It is our understanding that the bill authors have drafted an amendment to address this issue to create parity for the state in this regard. We ask this committee and the legislature to support at least this aspect of a forthcoming amendment.

Second, Assembly Bill 846 is silent on local governments that already provide and seek a fee for charging. Based on dialogue with these local governments that were in the vanguard providing charging for early adopter residents and visitors, it is Clean Wisconsin's understanding that they are operating these stations in ways that allow them merely to recoup their costs—not profit. We are concerned that Assembly Bill 846 could unintentionally disrupt the operation of those existing charging stations. Local government leaders have worked to meet needs in communities lacking charging and would welcome charging provided by private third parties. This is not about competition, but rather collaboration to build out a charging network that serves all Wisconsinites, whether they live in a big city or a smaller community. It is unclear whether the forthcoming amendment addresses this issue, and we urge the bill authors to work with stakeholders to include a fix in an amendment.

Clean Wisconsin recognizes these proposals as necessary for the state to access \$78 million and supports them for that reason. We believe, however, that the aforementioned issues should be addressed by amending Assembly Bill 846 to ensure easy passage through the legislative process and a charging network that benefits all Wisconsinites.

January 9th, 2023



To: Chairman Steffen and Members of the Assembly Committee on Energy and Utilities Re: Support for Assembly Bills 846 and 847 (with requested amendment)

On behalf of the Alliance for Automotive Innovation<sup>1</sup> (Auto Innovators), thank you for the opportunity to provide the auto industry's input as you consider changes to Wisconsin's laws designed to pave the way for necessary electric vehicle (EV) infrastructure. We strongly support the goals of Assembly Bills 846 and 847, but we are particularly interested in the new taxing mechanism on Level 1 and Level 2 EV charging stations.

According to recent data, in the 2<sup>nd</sup> Quarter of 2023, the number of EVs sold nationwide increased 58 percent from the same period in 2022, accounting for 9.1% of total new vehicle sales across the country.<sup>2</sup> In Wisconsin, EV sales were only 3.9% of all new vehicle sales in the 2<sup>nd</sup> Quarter. This includes battery electric, plug-in electric, and fuel cell models. Automakers are investing heavily in EV manufacturing and battery production in the United States; \$110 billion plus by the end of the decade in multiple states. Globally, automakers have committed to investing \$1.2 TRILLION dollars<sup>3</sup> on electrification through 2030.

Our members recognize the pressure this transition – along with the continued rise in MPG ratings of traditional gas/diesel powered vehicles and the increased costs of highway construction generally – places upon state road infrastructure budgets that have historically been funded through state and federal gas tax revenues.

To address this concern, policymakers across the country have been forced to consider avenues outside of a gas tax to recoup revenues that otherwise would have been collected. Two potential revenue streams most commonly identified are: a flat annual registration fee on EVs and hybrids; and a tax based on the number of kilowatts of electricity (kWh) used to charge an EV.

While automakers were once among the loudest to protest additional registration fees placed upon EV owners, we have now come to believe that such fees are the most responsible path for states to follow. From a state's perspective increased registration fees on EVs could be accomplished with little added administrative costs. It would also represent the fastest way to begin collecting revenue, and likely prove to be the most stable source of revenue year-to-year. As you are aware, Wisconsin currently imposes an additional EV registration fee which is intended to capture lost gas tax revenue from EVs. In fact, Wisconsin's current EV registration fee of \$175 is one of the highest in the nation. This means EV drivers in Wisconsin are already contributing their "fair share", if not more, than drivers of gas-powered vehicles to the road fund considering the EV registration fee is commonly seen as a replacement for lost gas tax revenue.

1050 K Street, NW | Suite 650 | Washington, DC 20001 | AutosInnovate.org

<sup>&</sup>lt;sup>1</sup> From the manufacturers producing most vehicles sold in the U.S., to autonomous vehicle innovators, to equipment suppliers, battery producers, and semiconductor makers – the Alliance for Automotive Innovation represents the full auto industry, a sector supporting 10 million American jobs and five percent of the overall economy. Active in Washington, D.C. and all 50 states, the association is committed to a cleaner, safer, and smarter personal transportation future. <u>www.autosinnovate.org</u>.

<sup>&</sup>lt;sup>2</sup> <u>https://www.autosinnovate.org/posts/papers-reports/get-connected-g2-2023</u>

<sup>&</sup>lt;sup>3</sup> https://www.autosinnovate.org/posts/communications/The%20Future%20Is%20Electric%20Infographic

Given that registration fees do not capture out of state drivers, we understand the need for the state to pursue other forms of funding to support Wisconsin roads. We specifically support the application of a kWh tax on the high-speed charging infrastructure (known as Level 3 or DC Fast Chargers) being installed along highway corridors to capture out-of-state drivers who are transiting on State roadways. We do, however, want to highlight concerns with the current draft.

We do not support a kilowatt hour tax on all non-residential chargers. Workplace chargers and those installed at grocery stores, schools and shopping malls will still likely be used by local residents as they go about their lives in their communities. We believe the implementation of the tax assessment on existing Level 1 and 2 chargers will create a bureaucratic challenge for both the entities who deploy them as well as the Wisconsin Department of Revenue. Many of these existing Level 1 and Level 2 chargers don't have the metering capabilities necessary to accurately assess how much tax to pay. Our recommendation is to amend the bill to only apply a kWh tax to Level 3 chargers and not Levels 1 and 2. With such an amendment the Auto Innovators would fully support the bill.

Another consideration for the committee given that EV owners are already paying a higher registration fee to make up for lost revenue as the result of not paying a gas tax, a kWh tax could be viewed as a double tax on in-state EV owners, especially those that do not have access to home charging. To be specific, as constructed this bill does not consider EV owners that live in multi-unit dwellings or other living arrangements that do not allow for at-home recharging options. In that scenario, those EV owners would pay an annual EV registration fee along with the kWh tax whenever they refuel. If the committee were to move forward with this bill, we would suggest an amendment that allows for a tax credit or rebate for residents who charge at non-residential locations to avoid double taxation of those individuals.

While we do not suggest EV owners should get a free ride, we are very sensitive to a public perception that EV owners are being punished with new taxes and fees that drivers of traditional vehicles do not pay, and the possibility that such perception could holdback sales of this growing technology.

Thank you for your consideration of our views. If I can provide any further information, please feel free to contact me at <u>jfisher@autosinnovate.org</u>.

Sincerely,

food Fisher

Josh Fisher Senior Director, State Government Affairs